

The ABC of Effective Leadership

A Practical Overview of Evidence Based Leadership Theory

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With over 35,000 research papers, articles and books written on leadership it safe to say we know quite a bit about what is involved in leading well. However, the sheer volume of information available, coupled with the lack of evidence behind many popularised notions on leadership can be confusing and unhelpful. Leadership has been studied and therefore explained from a number of different perspectives, each with its own insights as well as its own limitations. These perspectives include:

- ✕ Leadership as power
- ✕ Personal characteristics of leaders
- ✕ Leadership behaviours
- ✕ Leadership styles
- ✕ Situational leadership models
- ✕ Transformational leadership models

This article synthesizes the key contributions of each of these perspectives, after first defining the essence of what leadership is.

Leadership Defined

Academics continue to argue of over a precise definition of what leadership is; yet management commentator, the late Peter Drucker - renowned for his to-the-point insight, observed that **the only definition of a leader is someone who has followers.**

The Australian Leadership Development Centre builds on this simple yet powerful insight to define leadership as:

... any behaviour that influence the actions and attitudes of followers to achieve certain results.

Leadership is neither inherently good nor bad. This depends on both the results being pursued and the means used to influence others.

Power as a Source of Leadership Influence

Your capacity to influence others is dependent on the power you have. Without some form of power will not be able to have any influence over others.

There are five potential sources of power:¹

1. Positional Authority
2. Reward Power (the carrot)
3. Coercive Power (the stick)
4. Expertise
5. Interpersonal Power

Positional Authority

It is important for you as a leader to be clear about your positional authority. This includes a solid working knowledge of relevant laws, awards and industrial agreements. This knowledge provides the parameters within which you can exercise command and control. There is no doubt that positional authority is a legitimate and prevalent form of influence within organisations. The evidence² [4] demonstrates that positional authority is still the most used form of power by managers and it also the most common reason for staff compliance. Staff born between 1920 and 1945 were quite accepting of doing things a certain way because that is 'what the boss said'. However, the impact of such influence has been eroded with changes in generational attitudes. This is compounded in those countries whose national culture places high emphasis on participatory workplaces. Effective leaders therefore expand their power-base beyond the limits of positional authority.

Reward Power

Leaders also use rewards to shape the attitudes and behaviours of staff. The use of financial rewards to shape behaviour is largely the province of an organisations HR staff. However, all leaders can make use of non-financial reward systems to shape the behaviour of their staff. The use of positive rewards to recognize and encourage further repeats of desired behaviours is one of the simplest yet most powerful forms of power a leader can exert. Kouzes and Posner, when researching their book, *Encouraging the Heart*, interviewed staff about the most important non-financial reward they could receive at work; the answer was a simple thank-you. For those interested in doing more than just thanking people, or who want to how to maximize the impact of thank-yous, the evidence suggests³ [5] that rewards are most effective when:

- ✗ Rewards are given for specific behaviours that managers would like to see repeated.
- ✗ They are things that matter to the person being thanked (eg knowing they like the movies – hence buying movie tickets).
- ✗ Rewards are given at random rather than fixed intervals.
- ✗ The nature and scale of the reward varies in response to the nature and scale of the behaviour.

Coercive Power

The use of coercive power – that is negative consequences following undesirable or unacceptable behaviour has been shown to be effective in reducing the instances of such behaviour. It has a place in manager's repertoire, yet it should be used with care and judgment as it has also been shown to have a significant negative impact on subsequent relationships.⁴



Expertise

Expertise is also a source of power. People will put more weight on a leader's words when they believe the leader knows what they are talking about. Early levels of leadership typically involve leading staff who have the same professional function as their leader – accountants leading accountants, teachers leading teachers or engineers leading engineers etc. Therefore first level leaders typically have significant expertise power. As leaders move to higher levels of leadership they find themselves leading people whose functional expertise is different and superior to theirs. Expertise will not be sufficient on its own, however leaders can continue build their expertise power base by:

- ✕ Keeping up to date with and sharing information on strategic initiatives.
- ✕ Take part in all relevant development opportunities within your organisation.
- ✕ Read relevant leadership and professional magazines for your industry.
- ✕ Progressively building your reputation as a competent leader.

Interpersonal Power

Interpersonal power refers to your ability to influence others' behaviour simply because of the relationship they have with you. A thank-you from someone who counts is more powerful than a thank-you from someone who doesn't. Expressed disappointment by someone a staff member holds a leader in high regard is more effective than the same statement made by someone the staff member does not care about. In fact, research⁵ shows that interpersonal power is the most effective form of influence within an organisational setting and with younger generations placing more value on loyalty to relationships than they do on loyalty to organisations, the importance of relational power is sure to increase.

Personal Characteristics of Effective Leaders



Early research on leadership sought to identify a list of personal characteristics that set effective leaders apart from other people. No single list has been found to hold true for every leader in every context. As a result leadership research moved on in a different direction – focusing instead on what effective leaders do. For decades traits were largely ignored. However, despite lacking 100% generalisability, contemporary leadership scholars have recognised that personal characteristics are important to effective leadership – particularly intelligence and aspects of personality such as dominance, extraversion, sociability, self-confidence, high levels of energy and resilience.⁶ A more comprehensive list of personality traits associated with effective leadership is shown below:

Dominance	Conscientiousness	Social Tendency	Internal Locus of Control
<ul style="list-style-type: none">♦ A Desire to Take Charge♦ Self-Confidence♦ Extraversion	<ul style="list-style-type: none">♦ Achievement Drive♦ High Energy♦ Initiative	<ul style="list-style-type: none">♦ Expressive of Affection♦ Good Listeners♦ Low Need to Be Liked	<ul style="list-style-type: none">♦ Optimism♦ Resilience♦ Persistence

Effective leaders typically have higher than average levels of intelligence – specifically reasoning and memory. During World War I, the armed forces used IQ tests to select potential officers and they continue to be used as a recruitment tool in many contemporary organisations such as Microsoft. A high IQ does not make you an effective leader. There are many case studies of leaders with high IQs, who due to a lack of personal or interpersonal competence have failed as leaders. However, even emotional intelligence advocate, Daniel Goleman⁷ admits that a higher than average IQ is necessary foundation or ‘threshold competency’.



The late 1990s saw an explosion of interest in emotionally intelligent leadership. Research has clearly shown that effective leaders are also likely to be emotionally intelligent⁸. Specifically effective leaders are likely to:

- ✕ Be accurately aware of themselves – their emotions, tendencies, strengths and weaknesses.
- ✕ Use emotions to enhance thinking and decision-making.
- ✕ Consciously regulate emotions and moods in intelligent ways.
- ✕ It has been claimed that emotional intelligence is a better

predictor of leadership success than IQ.

More recently social intelligence, previously considered a sub-part of emotional intelligence, has been shown to be the single largest factor impacting on leadership effectiveness⁹.

Leadership Behaviours

After giving up on finding a single definitive list of personal characteristics held by all effective leaders, scholars shifted their focus to explore what effective leaders actually do. Two of the best known examples of behavioural frameworks are shown in the table below:

Mintzberg's 10 Managerial Roles ¹⁰	Katz's Skills of An Effective Administrator ¹¹
<p>Informational Roles</p> <ul style="list-style-type: none">✗ Keeping abreast of internal & external happenings✗ Keeping others abreast of what is happening <p>Interpersonal Roles</p> <ul style="list-style-type: none">✗ Representing the organisation at various social & official activities✗ Leading others to in ways that achieve desired results <p>Decisional Roles</p> <ul style="list-style-type: none">✗ Making improvements & innovations✗ Allocated finances & resources✗ Negotiating non-routine agreements	<p>Technical Skills</p> <ul style="list-style-type: none">✗ Profession or function specific knowledge✗ Skill in executing the tools & techniques of that function or profession <p>Human Skills</p> <ul style="list-style-type: none">✗ Being attuned to the feelings, attitudes & beliefs of self & others✗ Using this awareness to communicate and behave in intelligent ways <p>Conceptual Skills</p> <ul style="list-style-type: none">✗ Being able to see organisation as a whole and how the various parts act in interdependent ways✗ Using this understanding to make wise decisions

This behavioural approach also underpins the leadership competency models adopted in many organisations today, with key contemporary roles including strategic thinking, change manager, relationship builder and talent developer.¹²

Whilst the behavioural approach has helped to focus attention on learnable skills, the effective execution of those skills is often grounded in who the leader is as a person and their personal characteristics.¹³

Leadership Styles

Other behavioural approaches focused less on specific roles and more on leadership styles.

Balancing Concern for Results With a Concern for People

In the mid-twentieth century, the University of Michigan, under the supervision of Rensis Likert, identified what they viewed as two opposing styles of leadership – leaders who focus on:¹⁴

- ✕ Results and the tasks that need to be done to achieve those results
- ✕ The people responsible for achieving those results

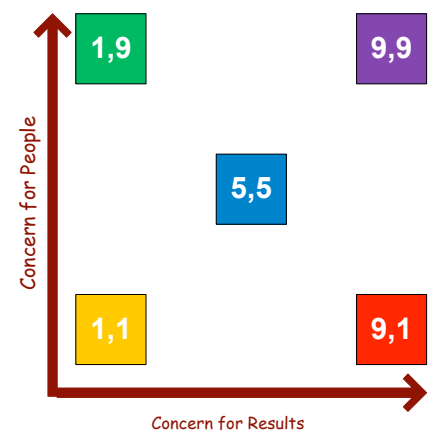
At about the same time as the University of Michigan studies, the Ohio State University, under the supervision of Ralph Stogdill, identified four leadership styles¹⁵, by considering the same two aspects of leadership, without assuming a leader had to be just one or the other:

- ✕ High concern for results and high concern for people.
- ✕ High concern for results and low concern for people.
- ✕ Low concern for results and a high concern for people.
- ✕ Low concern for results and a low concern for people.

The Leadership Grid

The **leadership grid**, formerly known as the **managerial grid model**, is a more recent model¹⁶ of leadership identifies five styles based on a combination of either high, medium or low consideration for people and results.

- ✕ A 1,1 style shows a low concern for results and a low concern for people – impoverished don't care.
- ✕ A 9,1 style shows a high concern for results and a low concern for people – compliance management.
- ✕ A 1,9 style shows a low concern for results and a high concern for people – the country club.
- ✕ A 9,9 style shows a high concern for results and a high concern for people – team approach.
- ✕ A 5,5 style shows a moderate concern for results and a moderate concern for people – middle road.



Grid theory asserts that the most effective leaders adopt a 9-9 style of leadership, showing both a high concern for people and a high concern for results. Research supports the Grid theory's assertion that 9-9 leadership is always effective, however this impact is not always high and there are some specific instances where other leadership styles are more effective.¹⁷

Scandinavian Studies

Scandinavian studies¹⁸ have added a third dimension to the people-task mix – development. They show how in addition to being focused on achieving results and having good working relationships with staff, effective leaders seek to develop and draw the fullest potential out of every staff member.

Situational Leadership

Situational leadership theories highlight the importance of context in deciding the right leadership approach in any given situation.

Fielder's Contingency Theory

One of the most well validated situational theories is Fielder's contingency model¹⁹. Whilst Grid theory advocates adopting a high relationship – high task approach in all situations, contingency theory suggests that leaders should consider three contextual factors before deciding on the best people-task mix to any situation.

1. Leader-member relations - these can be either good or poor.
2. Task structure - how prescribed and systematized is the action the leader is wanting staff to take.
3. Leader positional power - the degree of positional authority the leader has over staff in relation to the specific task at hand.

The model has been shown to work best²⁰ when situations are classified into one of three categories:

1. Favorable
2. Moderately favourable
3. Unfavourable

When the situation is moderately favourable, (either good leader member relations, with low task structure and a low level of positional authority; OR when leader member relations are poor, the task structure is high, and positional authority is high) a task-orientated approach has been shown to be more effective. In all other situations a relationship-orientated approach works best.

Fielder asserted that leaders have a dominant fixed-style, and that leaders should therefore be matched to the specific situation at hand in a given organisational unit, when selecting leaders. This echoes Peter Drucker's^[21] claim that is far easier to turn an average performer into a star performer by finding roles where their natural strengths are called for than it is by trying to develop their weaker areas.

Vroom's Normative Participation Model - How Participatory Should You Be

Vroom's participative model provides a set of rules or norms (hence normative) that determine how participatory a leader should be when making decisions. After weighing up various contingencies a leader can choose to:

- ✕ Decide on their own, and if necessary sell their decision.
- ✕ Consult some staff members individually, gathering some informal ideas and then make the decision themselves.
- ✕ Consult the staff as a group, gathering their suggestions but still making the decision themselves.
- ✕ Facilitate a meeting where they define the problem and set the limits within which a decision needs to be made, and then uses a consensus approach to make a decision.
- ✕ Delegate the decision-making process either to the team or individual responsible for enacting the decision.

The following leadership decision making table¹ can be used to identify the most effective and efficient means of making a decision, when time is short. Vroom also produced a second table that can be used when time is not short, and a leader wants to take the opportunity to develop their staff.

	Decision Significance	Importance of staff commitment	Leader expertise	Likelihood of commitment	Staff support for task objective	Staff expertise	Team dynamics	Decision Style
The Task At Hand	H	H	H	H	-	-	-	Decide
				L	H	H	H	Delegate
						L	L	Group consultation
							-	
					L	-	-	
			L	H	H	H	H	Facilitate
						L	L	Individual Consultation
							-	
					L	-	-	
			L	L	H	H	H	Facilitate
						L	L	Group Consultation
							-	
					L	-	-	
		L	H	-	-	-	-	Decide
			L	-	H	H	H	Facilitate
						L	L	Individual Consultation
							-	
					L	-	-	
L	H	H	-	H	-	-	-	Decide
				L	-		H	Delegate
							L	Facilitate
	L	L	-	-	-	-	-	Decide

Transformational Leadership Models

Transformational leadership theory emerged from the political sociology writings of James MacGregor Burns.²²

Transformational leadership models have a dual focus on who a leader is as well as what a leader does, merging both the personal characteristic and behavioural theories of leadership. Yet, the models go further. Early theories of leadership focused on influencing others to achieve good results, yet the results being sought were readily achievable and the means of achieving them were known. Transformational leadership by contrast involves rallying people behind a dream or vision of something that as yet has been out of reach.²³

Personal Characteristics of Transformational Leaders

Transformational leaders are likely to have many of the following personal characteristics:²⁴

- ✗ A deep sense of personal purpose coupled with an unshakable self-confidence in the ability to realise this purpose.
- ✗ A strong desire to take charge and make things happen, without being overly bossy.
- ✗ A strong social presence and superb oral communication skills, often coupled with a reputation of unconventional behaviour.
- ✗ A sensitivity to how people are feeling and an ability to connect well with people at a personal one-on-one level.
- ✗ A willingness to take personal risks and make sacrifices in order realise their vision
- ✗ An internal locus of control, with a 'what can I do with what I have now' attitude

These characteristics emerge in different ways with different people as illustrated by such notable figures as Bob Hawke, Sir Richard Branson, Mahatma Gandhi, Martin Luther King, Jr. and Aung San Suu Kyi.

Behavioural Components of Transformational Leadership

Behavioural elements of transformational leadership common across various models include:²⁵

- ✗ Being able to communicate a clear vision of the future along with the gap between that vision and current realities, in compelling ways.
- ✗ Helping people to find purpose and meaning in their life through pursuit of this vision.
- ✗ Overtly modeling the values and attitudes needed in your own behaviour.
- ✗ Communicating clear and high standards regarding what you expect from those around you.
- ✗ Empowering staff with the authority create innovative ways of realising the vision, whilst helping staff align their ideas with the broader organisational solutions.
- ✗ Engaging others in strategic and creative thinking around the realisation of the vision.
- ✗ Using a caring and coaching style of leadership in one-on-one settings, empathising with the situation of staff whilst drawing forth creative solutions from the staff themselves.
- ✗ Recognising staff achievements and desired behaviours in personally meaningful ways.

Transformational & Transactional Leadership

Transformational leadership does not replace more day-to-day leadership practices advocated by earlier theories. In transformational leadership theory, these are referred as transactional leadership behaviours. Rather transformational leadership adds a new, more futures-orientated and large-scale dimension to transactional behaviours.

Further, it adds the coaching style of leadership, to a leader's one-on-one leadership repertoire.

Research Support for Transformational Leadership

The research support for transformational leadership is overwhelmingly impressive.²⁶ However, transformational leadership is not always needed and is not always beneficial, working best when:

- ✗ What you want staff to do has a values and attitudinal component.
- ✗ The organisation and its staff are experiencing times of hardship, stress or uncertainty.

The charismatic nature of transformational leaders can breed devotion and dependency. When the leader leaves, everything falls apart. This has led leadership researchers²⁷ to move beyond transformational models to more self effacing and collective leadership approaches.

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